

April 13, 2016

EMAIL AND REGULAR MAIL

Thomas S. Burack, Commissioner
Department of Environmental Services
P.O. Box 95
29 Hazen Drive
Concord, NH 03302-0095

NH DEPT. OF
ENVIRONMENTAL SERVICES

APR 18 2016

RECEIVED

Re: PFOA Matters in Southern New Hampshire

Dear Commissioner Burack:

Thank you for taking the time to talk with representatives of Saint-Gobain Performance Plastics Corporation ("Saint-Gobain") on April 5, 2016, regarding the issues surrounding the discovery of perfluorooctanoic acid ("PFOA") in some drinking water supplies in Merrimack. As discussed during our call, Saint-Gobain is committed to working collaboratively with the New Hampshire Department of Environmental Services ("NHDES") to ensure that residents living near Saint-Gobain's Merrimack facility (the "Facility") have drinking water without elevated levels of PFOA. To that end, as discussed in more detail below, Saint-Gobain agrees to many of the requests set forth in your April 1 letter.

There is still a significant amount of investigation and fact development that must occur before Saint-Gobain may reasonably agree to all of the NHDES's requests. For example, it is not clear whether any long-term water treatment systems will be necessary for any public water systems, or where, if anywhere, it may make sense to connect private well users to the public water supply once point-of-entry ("POET") systems are installed. As you know, decisions such as these must be based upon sound science, and there is just not enough information available at this time to make a reasoned decision about some of these issues. Please understand that Saint-Gobain is not opposed to these requests. Rather, Saint-Gobain believes that some issues must be deferred until both NHDES and Saint-Gobain have more information and are better able to determine what actions make sense from a scientific, engineering and public health perspective.

Accordingly, Saint-Gobain responds to the specific requests set forth in your April 1 letter as follows:

1. **Bottled Water:**

a. Saint-Gobain agrees to fund the supply of bottled water to all residences within a 1 mile radius of the Facility where PFOA has been detected in a private well above 100 parts per trillion ("ppt"). In addition, Saint-Gobain will fund the supply of bottled water to all private well owners living within a 1 mile radius of the Facility whose wells have not yet been tested. Saint-Gobain recognizes that there are some private wells lying just outside this 1 mile radius that have been tested because of their proximity to wells with elevated readings and will fund water deliveries to these homes as well.

b. Saint-Gobain will reimburse the State of New Hampshire for all reasonable costs the State has incurred to date to provide residents living within the 1 mile radius with bottled water. However, Saint-Gobain has not been provided with any invoices or cost documentation at this point, and, therefore, cannot categorically agree to reimburse all of the State's costs before reviewing the appropriate documentation.

2. **Site Investigation:**

a. Saint-Gobain agrees to conduct soil-sampling at designated locations near the Merrimack Facility where sensitive populations may exist (e.g., the schools, day care centers, and playgrounds on the list provided to Saint-Gobain). In fact, Saint-Gobain has already submitted a workplan to NHDES for this work.

b. Saint-Gobain is willing to submit a workplan for sampling and analysis of soils at agricultural farms and fields near the Facility, but the NHDES has not yet provided a list of which sites it believes should be included in the workplan.

c. Saint-Gobain agrees to retain a qualified environmental consultant and to submit a workplan for a full site investigation of the Facility within 30 days, or as soon thereafter as is reasonably possible. As you likely have read or heard, Saint-Gobain is working to address concerns related to PFOA in neighboring states. It intends to do its best to meet the State's desired deadline but may not be able to do so. It will continue to work with NHDES so that the agency is aware of any extensions of time Saint-Gobain may need to complete this work.

d. Saint-Gobain agrees to implement the site investigation workplan once NHDES approves the plan, and to submit the results of the investigation to NHDES.

e.- g. Saint-Gobain is generally willing to reimburse the State for costs the State has reasonably incurred to date to sample and analyze for PFOA in Merrimack. Again, however, Saint-Gobain has not been provided with any invoices or cost documentation at this point, and, therefore, cannot agree to reimburse all of the State's costs.

3. **Public Water Supply Treatment:** To the best of Saint-Gobain's knowledge, no public water supply wells have been found to contain PFOA at concentrations above 100 ppt, which Saint-Gobain understands USEPA has suggested it may determine to be a provisional long term health advisory level for PFOA. And the sampling results reported to date have been inconsistent. Accordingly, Saint-Gobain is not aware of any need for a new, long-term treatment system to be installed on any public water supplies near Merrimack. Saint-Gobain proposes, however, to take additional samples of the public supply wells. If PFOA is detected in public water supply wells at concentrations above 100 ppt, or any other duly enacted standard, Saint-Gobain will discuss potential treatment options with NHDES. However, such discussions will have to take into consideration numerous factors, such as: the water volumes required to service the population, the frequency and seasonality of PFOA detections, the location of the impacted wells, and the results of any on-site investigation and remediation conducted by Saint-Gobain at the Facility.

4. **Public Water Supply Extensions and Connections:** Saint-Gobain will install POETs at residences within a 1 mile radius of the Facility where PFOA has been detected in private wells at concentrations above 100 ppt since this appears to be the quickest way to ensure clean water to the affected residents. Once POETs are installed on those residences, it may not make sense to then also connect those residences to the public water supply system unless the long term maintenance costs for the POETs exceeds the connection cost. Again, Saint-Gobain is not opposing connecting some private well owners to the public water supply system. For example, it may be the case that some residences or businesses on private water are located close to a public water supply line and it would be more practical to tie them into the public water supply than to install a POET. At this time, though, it is just not clear where, if anywhere, it may make more sense to extend the public water supply as opposed to continuing with POETs. As you and Tom Kinisky discussed, more study is needed.

5. **Private Water Supply Treatment:** Saint-Gobain agrees to fund the installation of POETS on private wells within a 1 mile radius of the Facility where PFOA has been detected above 100 ppt.

6. **Site Remediation:** Any decisions related to remediation of the Facility will depend upon the results of the site investigation that Saint-Gobain has agreed to perform.

7. **Reimbursement of Other Costs:** Saint-Gobain does not know what specific costs are being referred to in Paragraph 7 of your April 1 letter, and, therefore, cannot agree to reimburse those costs at this time. Saint-Gobain is willing to review any invoices and cost documentation that NHDES provides.

Finally, it is important to note that Saint-Gobain is agreeing to perform much of the work requested by NHDES because Saint-Gobain recognizes that there is significant public concern over the presence of PFOA in Merrimack and the surrounding area. Saint-Gobain is committed to the well-being of its employees and neighbors, and Saint-Gobain is undertaking these efforts in the spirit of cooperation, not because Saint-Gobain believes it is liable under any federal or state statute, or any private civil cause of action. Nothing herein should be viewed as an

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admission of liability, and Saint-Gobain expressly reserves all rights, claims and defenses it may have to an enforcement action by the State or any action by any other party. In this respect, Saint-Gobain disputes that: (1) PFOA is a hazardous material, pollutant, contaminant or waste within the meaning of any applicable federal or state statute; (2) 100 ppt is a duly enacted or legally binding regulatory standard; and (3) the science establishes that 100 ppt is an appropriate human health based risk threshold for PFOA. Moreover, Saint-Gobain is investigating other potential sources of PFOA in the Merrimack area and welcomes any information NHDES may have about the use of PFOA at any other location in Merrimack, Litchfield or the surrounding areas.

Please feel free to call Ed Canning or me if you have any questions or would like to further discuss any of the issues raised in this letter. Saint-Gobain appreciates the NHDES's cooperation and professionalism in this matter and looks forward to continuing to work in partnership with the NHDES to expeditiously resolve these issues.

Very truly yours,



CHRISTOPHER R. GIBSON

cc: Clark Freise, Assistant Commissioner, NHDES
Edward Canning, Saint-Gobain